

SECTION 8

REIMBURSEMENT

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REIMBURSEMENT POLICIES

Age Requirement for Participation

The age requirement for participation in the National School Lunch Program, School Breakfast Program and the Special Milk Program is any person 21 chronological years of age or younger who is enrolled in an institution or school. This applies to both regular and special education students.

Parents, of any age, enrolled with their children in the family literacy program *Even Start*, are eligible to participate in the NSLP and SBP if they are enrolled in a General Equivalency Program (GED) or a regular school completion program. In these instances, meals may be claimed for parents, if the classes are held during the day.

Preschool and Day Care Programs

Preschool and day care programs located on a school campus and operated by the school are eligible to participate in the National School Lunch and School Breakfast Programs. Preschool and day care programs on school campuses that are not operated by the school may not participate in the NSLP. However they may enter into a catering contract with the school to supply meals. Head Start programs only need to be located on school campuses to be eligible. The school does not have to be operating the Head Start Program. Children attending the preschool program must be provided an income application or can be included on sibling applications. Meals served to these children must be claimed in the appropriate category (free, reduced-price or paid) even if there is no charge to the children. When the day care program is open but the school is closed, the meals are not reimbursable.

Snacks served during preschool and day care program hours are NOT reimbursable under NSLP; the following options are available:

- Participate in the Child and Adult Care Food Program (CACFP) rather than the NSLP. **A sponsor may not participate in both the CACFP and NSLP unless the sponsor has an outside school hours care program that participates in CACFP.**
- The lunch meal may be split so 1 or 2 items are omitted from the meal and served later as an afternoon snack. There is no option to split breakfast items.
- Serve a snack without reimbursement.

If preschool and day care programs choose to participate in the CACFP rather than the NSLP, the school may provide meals but reimbursement would be claimed by the organization sponsoring the CACFP.

After School Care Snack Program

Sponsors that administer after school care programs that offer enrichment or educational program are eligible to serve snacks for reimbursement. Sites located in areas served by a school in which at least 50 percent of the enrolled children are eligible for free and reduced-price meals are eligible to receive reimbursement at the free rate for snacks served to all children, regardless of each individual child's eligibility for free or reduced-price lunches and breakfasts. Refer to section 2 for more information on the after school care snack program.

Sites which are not in areas served by a school in which at least 50 percent of the enrolled children are eligible for free or reduced-price meals must count snacks and claim reimbursement by type (free, reduced-price, and paid), and must have documentation of students eligibility. Under no circumstances may a school charge children for snacks claimed at the free reimbursement rate. Charges for reduced-price snacks may not exceed 15 cents, as stipulated in program regulations at 7 CFR section 210.9 (c) (4).

Snacks may only be served to children for reimbursement when administering the NSLP and after their school day has ended. Under no circumstances may snacks be reimbursed in programs operated before or during the child's school day. Schools are not eligible to receive reimbursement under this provision for snacks served on weekends or holidays, including vacation periods.

Non-school Days

The National School Lunch Act provides basic, comprehensive legislation for aid, in general, to the States in the operation of school lunch programs **as permanent and integral parts of their school systems**. Food and Consumer Service does not consider weekends, holidays, and vacations to be an integral part of the school system. Consequently, Food and Consumer Service does not authorize reimbursement for meals served in any of these situations, except as stated below.

Weekends - Boarding Schools: Boarding schools may be reimbursed for student weekend breakfast and lunch meals if the following criteria are met:

1. Three meals a day are served on Saturday and Sunday as documented by menus, and;
2. Breakfast and lunch meet the minimum federal meal pattern requirements. This criteria must be documented with food production records for these two meals, and;
3. There is an extension of education related activities on the weekend that is an integral part of the curriculum or an extension of the local educational program. The school must submit a written request to the CNP office for a decision on the validity of the activity. The number of student suppers should be recorded for reporting on the Annual Financial Report.

Weekends - Traditional Schools: Traditional Schools which operate Monday through Friday receive federal reimbursement for meals or milk served during the periods set aside for meal service during the regular school week. Meals served by the school sponsor on the weekend may be reimbursable if the activity is an **integral part** of the curriculum or an actual extension of the local educational program, and not simply a school-affiliated extracurricular event or activity, such as football, band and choral activity.

Off-Track Students: Reimbursement is not available during off-track vacations for children in year-round schools. The Summer Food Service Program was created to provide meals to needy children during extended periods when they are not in school. For more information on the Summer Food Service Program contact your School Lunch Specialist.

Visiting Students

When a lunch program serves children who are visiting from another school during the lunch hour because of school activities, the host school may claim **PAID** reimbursement for the lunches served

to all children even though the visiting school may not have a lunch program. Free or reduced reimbursement may be claimed when the visiting school provides documentation of the number eligible in those categories. Those children eligible must be included in the eligibility section of the monthly reimbursement claim.

GED Programs

Persons enrolled in a General Equivalency Program (GED) program or regular high school completion programs that operate during regular school hours may participate in the meal service. Evening meals served to students in adult education courses or in delayed diploma programs are not reimbursable.

Federal regulations define “child” as “a student of high school grade or under as determined by the State educational agency.” The State of Arizona has defined children as twenty-one years or younger. The CNP office adheres to the state definition and allows reimbursement for only those program meals served to students who meet this definition. This applies to both regular and special education students.

Second Meals

Sponsors must ensure that lunches and breakfasts are planned and produced on the basis of participation trends with the objective of providing one reimbursable lunch and/or breakfast per child per day. Production and participation records must be maintained to demonstrate positive action toward providing one reimbursable lunch and/or breakfast per child per day. Any excess lunches and/or breakfasts that are produced may be served, but shall not be claimed for reimbursement.

REIMBURSEMENT RATES

The School Health and Nutrition Services Program posts reimbursement rates for the National School Lunch/ (Regular) School Breakfast Programs (NSLP/SBP) as soon as possible after July 1 on its website at www.ade.az.gov/health-safety/cnp/nslp. These reimbursement rates are in effect from July 1 through June 30.

School Lunch Reimbursement Rates

There are two different rates for the school lunch program, a high and low rate. When applications are processed, CNP Web will determine whether a sponsor is eligible for the high or low rate. To be eligible for the higher rate, a sponsor's total lunches served in the second preceding year (two years earlier) must have been 60 percent or more free and reduced-priced lunches. The eligibility for the high or low rate is determined by CNP Web based on claims submitted during the appropriate year.

Severe Need Breakfast Reimbursement Rates

The Severe Need Breakfast rates are determined after the previous school year's annual financial report is submitted. The sponsor will be notified of their reimbursement rate in January. The Severe Need Breakfast reimbursement rates are in effect from January 1 through December 31.

The *Severe Need Breakfast Eligibility* in Section 9 gives specific details of the criteria for eligibility.

REIMBURSEMENT CLAIMS

Claims on CNP Web

Claims are completed on CNP Web and cannot be created until the first day of the month following the month being claimed.

The following information must be included to process a claim on CNP Web:

- Number of days served
- Number of free meals served
- Number of reduced-price meals served
- Number of paid meals served
- Number of participants approved for free meals
- Number of participants approved for reduced-price meals
- Number of participants approved for paid meals
- Number of participants enrolled

Due Date

Reimbursement claims must be completed on CNP Web by the tenth (10th) of the month following the claim month. If the 10th of the month falls on a Saturday, Sunday or a state holiday, the claims must be received on the following first working day.

Claims completed on CNP Web after the 10th of the month will be processed with the following months' claims. All claims completed on CNP Web within 60 calendar days following the claim month will be processed. A claim completed on CNP Web after 60 days may be granted a one-time exception, which is in effect for thirty-six (36) months. No other exceptions may be granted within the thirty-six (36) month period

Combined Claims

At the beginning of the school term, the first two claims may be combined if not more than 10 days of program operation occurred in the first month. At the end of the school term, May and June claims may be combined if not more than 10 days of program operation occurred in June.

June and July claims may not be combined due to the reimbursement rate change in July.

The end of the federal fiscal year claim (September) cannot be combined with the beginning of the next federal fiscal year claim (October).

Revised Claims

A claim that has not been submitted for payment may be edited on CNP Web at any time. Once a claim has been submitted for payment any changes must be completed by creating a revised claim. Revised claims are created by selecting the "create new revision" option on CNP Web. A revised claim may be submitted within 60 calendar days following the claiming month. No upward

revision will be made after the 60-day deadline without a one-time exception. No exceptions will be granted if another exception (original or revised) was granted within a thirty-six month period. A downward revision may be made at any time.

The following information must be included to process a revised claim on CNP Web:

- Number of days served
- Number of free meals served
- Number of reduced-price meals served
- Number of paid meals served
- Number of participants approved for free meals
- Number of participants approved for reduced-price meals
- Number of participants approved for paid meals
- Number of participants enrolled

CHECKING THE REIMBURSEMENT CLAIM

When a completed claim is submitted on CNP Web the application automatically performs an edit check to determine if any errors were made. If any errors are found CNP Web will indicate which fields need to be edited. CNP Web will not submit claims for reimbursement until all errors have been corrected.

Attendance Factor

The School Health and Nutrition Programs office has established the following attendance factors:

1. Public Schools use an attendance factor that is based on information from the 40th Day Report.
2. Private Schools and Bureau of Indian Affairs Schools use a 98% attendance factor.
3. State Schools, Correctional Institutions, and Residential Child Care Institutions use a 99% attendance factor.
4. If the established attendance factor is incorrect fill out the Attendance Factor Calculation Sheet (Exhibit A) and fax it to the Health & Nutrition Services Unit, Financial and Administrative Services.

If the meal count is higher than the calculation check the following:

1. The accuracy of the monthly meal counts.
2. The accuracy of the number approved for reduced or free.
3. Check to see if there was high attendance during the month. If this is the case, contact Financial and Administrative Services and send an explanation stating the reason for the high attendance.

Reimbursement Calculation

CNP Web automatically calculates the reimbursement totals for each meal claimed as well as the total reimbursement for all meals. To compare CNP Web's calculated totals with the actual reimbursement received view the Site Meal Service Summary in the Claims section of CNP Web. Notify Health & Nutrition Services Unit, Financial and Administrative Services if a discrepancy is found.

Attendance Factor Calculation Sheet

Complete the following calculation using data from the month of October. If October does not accurately represent the population of your district, choose an appropriate month. Submit completed form to:

Arizona Department of Education
Child Nutrition Programs
Attention: Financial Services
1535 West Jefferson Street
Phoenix, Arizona 85007

Or

FAX: (602) 542-3818 or (602) 542-1531

If you have questions regarding this form, please contact Health & Nutrition Services Unit, Financial and Administrative Services at (602) 542-8700.

CTDS # _____ District Name _____

Data from the month of _____

$$\text{Attendance Factor} = \frac{(\text{Average Daily Attendance})}{(\text{Average Daily Enrollment})} \rightarrow \left(\frac{\quad}{\quad} \right) = \quad \times 100 = \quad \%$$

Enrollment is the highest number of students registered in the school for the month of October. **Average daily enrollment** is calculated by totaling the enrollment for each day in October and dividing this number by the total number of operating days.

Attendance is the total number of days in October that each enrolled student attended school. **Average daily attendance** is calculated by totaling the attendance for each day in the month of October and dividing by the number of operating days in October.

Example:

October Enrollment: 250

Number of Operating Days in October: 22

Average Daily Attendance: $\frac{5290}{22}$ (sum of each day's total attendance) = 240

Average Daily Enrollment: $\frac{5434}{22}$ (sum of each day's enrollment) = 247

Attendance Factor = $\frac{\text{Average Daily Attendance}}{\text{Average Daily Enrollment}} = \frac{240}{247} = .972 \times 100 = 97.2 \%$